

---

**SUBSTITUTE HOUSE BILL 2331**

---

**State of Washington                      60th Legislature                      2007 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives Simpson and Wood)

READ FIRST TIME 3/5/07.

1            AN ACT Relating to funding qualifying projects through the urban  
2 corridor program of the transportation improvement board; amending RCW  
3 47.26.282; reenacting and amending RCW 43.84.092; adding a new section  
4 to chapter 47.26 RCW; creating a new section; providing an effective  
5 date; and declaring an emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7            NEW SECTION. **Sec. 1.** The legislature finds that Washington  
8 state's quality of life is based on a number of factors, including a  
9 strong economy, affordable housing, and appropriate infrastructure.  
10 The legislature finds that existing funding levels are insufficient to  
11 meet current and future demands for infrastructure, especially  
12 infrastructure that is necessary to accommodate new population growth.  
13 The legislature finds also that the transportation improvement board's  
14 programs provide a mechanism to ensure that infrastructure funding is  
15 directed to projects that are necessary to accommodate growth. The  
16 legislature, therefore, intends to establish requirements pertaining to  
17 funding growth infrastructure projects from the city growth and  
18 planning program, and dedicate funding to the transportation

1 improvement board for grants to fund qualifying infrastructure programs  
2 that are consistent with these requirements.

3 **Sec. 2.** RCW 47.26.282 and 2002 c 189 s 5 are each amended to read  
4 as follows:

5 ~~((In any project funded))~~ (1) A new program is established entitled  
6 the city planning and growth program and shall be administered by the  
7 transportation improvement board~~((, except for projects in cities~~  
8 ~~having a population of less than five thousand persons, and in addition~~  
9 ~~to any other items required to be considered by statute, the board also~~  
10 ~~shall consider))~~. The funding for the program shall be provided from  
11 the city planning and growth account established in section 3 of this  
12 act. The board shall develop grant criteria that includes the  
13 following considerations of the land use implications of the project,  
14 such as whether the programs and projects:

15 ~~((1))~~ (a) Support development in and revitalization of existing  
16 downtowns;

17 ~~((2))~~ (b) Implement local comprehensive plans for rural and urban  
18 residential and nonresidential densities;

19 ~~((3))~~ (c) Have land use planning and regulations encouraging  
20 compact development for rural and urban residential and nonresidential  
21 densities; and

22 ~~((4))~~ (d) Promote the use of multimodal transportation.

23 (2) In the projects funded by the transportation improvement  
24 board's city planning and growth program, the board must consider, in  
25 addition to any other considerations required by law, the following  
26 factors when determining whether to make grants to local governments to  
27 accommodate projected growth:

28 (a) Whether the project will improve the minimum levels of service  
29 on transportation facilities that will accommodate planned growth. For  
30 the purposes of this subsection, "minimum levels of service" means an  
31 "a" through "d" level of service on an "a" to "f" scale or other  
32 generally accepted transportation measurement scale; or

33 (b) Whether the project will enable the local government to  
34 implement its comprehensive and capital facilities plans.

35 NEW SECTION. **Sec. 3.** A new section is added to chapter 47.26 RCW  
36 to read as follows:

1       The city planning and growth account is hereby created in the state  
2 treasury. Money in the account may be used only after appropriation.  
3 Expenditures from the account may be used only for transportation  
4 improvement board grants identified in the omnibus transportation  
5 appropriations act, including any principal and interest on bonds  
6 authorized for the projects or the improvements.

7       **Sec. 4.** RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006  
8 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 are each reenacted and  
9 amended to read as follows:

10       (1) All earnings of investments of surplus balances in the state  
11 treasury shall be deposited to the treasury income account, which  
12 account is hereby established in the state treasury.

13       (2) The treasury income account shall be utilized to pay or receive  
14 funds associated with federal programs as required by the federal cash  
15 management improvement act of 1990. The treasury income account is  
16 subject in all respects to chapter 43.88 RCW, but no appropriation is  
17 required for refunds or allocations of interest earnings required by  
18 the cash management improvement act. Refunds of interest to the  
19 federal treasury required under the cash management improvement act  
20 fall under RCW 43.88.180 and shall not require appropriation. The  
21 office of financial management shall determine the amounts due to or  
22 from the federal government pursuant to the cash management improvement  
23 act. The office of financial management may direct transfers of funds  
24 between accounts as deemed necessary to implement the provisions of the  
25 cash management improvement act, and this subsection. Refunds or  
26 allocations shall occur prior to the distributions of earnings set  
27 forth in subsection (4) of this section.

28       (3) Except for the provisions of RCW 43.84.160, the treasury income  
29 account may be utilized for the payment of purchased banking services  
30 on behalf of treasury funds including, but not limited to, depository,  
31 safekeeping, and disbursement functions for the state treasury and  
32 affected state agencies. The treasury income account is subject in all  
33 respects to chapter 43.88 RCW, but no appropriation is required for  
34 payments to financial institutions. Payments shall occur prior to  
35 distribution of earnings set forth in subsection (4) of this section.

36       (4) Monthly, the state treasurer shall distribute the earnings

1 credited to the treasury income account. The state treasurer shall  
2 credit the general fund with all the earnings credited to the treasury  
3 income account except:

4 (a) The following accounts and funds shall receive their  
5 proportionate share of earnings based upon each account's and fund's  
6 average daily balance for the period: The capitol building  
7 construction account, the Cedar River channel construction and  
8 operation account, the Central Washington University capital projects  
9 account, the charitable, educational, penal and reformatory  
10 institutions account, the city planning and growth account, the  
11 Columbia river basin water supply development account, the common  
12 school construction fund, the county criminal justice assistance  
13 account, the county sales and use tax equalization account, the data  
14 processing building construction account, the deferred compensation  
15 administrative account, the deferred compensation principal account,  
16 the department of retirement systems expense account, the developmental  
17 disabilities community trust account, the drinking water assistance  
18 account, the drinking water assistance administrative account, the  
19 drinking water assistance repayment account, the Eastern Washington  
20 University capital projects account, the education construction fund,  
21 the education legacy trust account, the election account, the emergency  
22 reserve fund, the energy freedom account, The Evergreen State College  
23 capital projects account, the federal forest revolving account, the  
24 freight mobility investment account, the freight mobility multimodal  
25 account, the health services account, the public health services  
26 account, the health system capacity account, the personal health  
27 services account, the state higher education construction account, the  
28 higher education construction account, the highway infrastructure  
29 account, the high-occupancy toll lanes operations account, the  
30 industrial insurance premium refund account, the judges' retirement  
31 account, the judicial retirement administrative account, the judicial  
32 retirement principal account, the local leasehold excise tax account,  
33 the local real estate excise tax account, the local sales and use tax  
34 account, the medical aid account, the mobile home park relocation fund,  
35 the multimodal transportation account, the municipal criminal justice  
36 assistance account, the municipal sales and use tax equalization  
37 account, the natural resources deposit account, the oyster reserve land  
38 account, the pension funding stabilization account, the perpetual

1 surveillance and maintenance account, the public employees' retirement  
2 system plan 1 account, the public employees' retirement system combined  
3 plan 2 and plan 3 account, the public facilities construction loan  
4 revolving account beginning July 1, 2004, the public health  
5 supplemental account, the public works assistance account, the Puyallup  
6 tribal settlement account, the real estate appraiser commission  
7 account, the regional mobility grant program account, the resource  
8 management cost account, the rural Washington loan fund, the site  
9 closure account, the small city pavement and sidewalk account, the  
10 special wildlife account, the state employees' insurance account, the  
11 state employees' insurance reserve account, the state investment board  
12 expense account, the state investment board commingled trust fund  
13 accounts, the supplemental pension account, the Tacoma Narrows toll  
14 bridge account, the teachers' retirement system plan 1 account, the  
15 teachers' retirement system combined plan 2 and plan 3 account, the  
16 tobacco prevention and control account, the tobacco settlement account,  
17 the transportation infrastructure account, the transportation  
18 partnership account, the tuition recovery trust fund, the University of  
19 Washington bond retirement fund, the University of Washington building  
20 account, the volunteer fire fighters' and reserve officers' relief and  
21 pension principal fund, the volunteer fire fighters' and reserve  
22 officers' administrative fund, the Washington fruit express account,  
23 the Washington judicial retirement system account, the Washington law  
24 enforcement officers' and fire fighters' system plan 1 retirement  
25 account, the Washington law enforcement officers' and fire fighters'  
26 system plan 2 retirement account, the Washington public safety  
27 employees' plan 2 retirement account, the Washington school employees'  
28 retirement system combined plan 2 and 3 account, the Washington state  
29 health insurance pool account, the Washington state patrol retirement  
30 account, the Washington State University building account, the  
31 Washington State University bond retirement fund, the water pollution  
32 control revolving fund, and the Western Washington University capital  
33 projects account. Earnings derived from investing balances of the  
34 agricultural permanent fund, the normal school permanent fund, the  
35 permanent common school fund, the scientific permanent fund, and the  
36 state university permanent fund shall be allocated to their respective  
37 beneficiary accounts. All earnings to be distributed under this

1 subsection (4)(a) shall first be reduced by the allocation to the state  
2 treasurer's service fund pursuant to RCW 43.08.190.

3 (b) The following accounts and funds shall receive eighty percent  
4 of their proportionate share of earnings based upon each account's or  
5 fund's average daily balance for the period: The aeronautics account,  
6 the aircraft search and rescue account, the county arterial  
7 preservation account, the department of licensing services account, the  
8 essential rail assistance account, the ferry bond retirement fund, the  
9 grade crossing protective fund, the high capacity transportation  
10 account, the highway bond retirement fund, the highway safety account,  
11 the motor vehicle fund, the motorcycle safety education account, the  
12 pilotage account, the public transportation systems account, the Puget  
13 Sound capital construction account, the Puget Sound ferry operations  
14 account, the recreational vehicle account, the rural arterial trust  
15 account, the safety and education account, the special category C  
16 account, the state patrol highway account, the transportation 2003  
17 account (nickel account), the transportation equipment fund, the  
18 transportation fund, the transportation improvement account, the  
19 transportation improvement board bond retirement account, and the urban  
20 arterial trust account.

21 (5) In conformance with Article II, section 37 of the state  
22 Constitution, no treasury accounts or funds shall be allocated earnings  
23 without the specific affirmative directive of this section.

24 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
25 preservation of the public peace, health, or safety, or support of the  
26 state government and its existing public institutions, and takes effect  
27 July 1, 2007.

--- END ---